



## **ASSOCIATION OF CONNECTICUT LOBBYISTS**

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### **ASSOCIATION OF CONNECTICUT LOBBYISTS**

#### **Testifying in support (with modifications) to HB 5229:**

#### **AN ACT CHANGING CERTAIN REPORTING REQUIREMENTS IN THE STATE CODES OF ETHICS**

The Association of Connecticut Lobbyist (ACL) is a professional organization whose members include over 150 registered communicator lobbyists. ACL supports HB 5229, but seeks the attached clarifying modifications to the bill proposed by the Office of State Ethics. We would also suggest changing the effective date to "effective from passage".

ACL believes this bill will promote greater public official transparency and accountability for Connecticut's citizens. The proposal addresses two issues related to the reports lobbying organizations must file after a public official attends and actively participates in an event hosted by such organization.

Under current law, lobbyists must report any instance in which they have waived the cost of admitting a public official to an event. This makes sense when the public official is simply sitting in the audience at the event as they are receiving a benefit. The only exception is if the public official is giving the keynote address, since in that instant it is the organization and not the public official that is receiving the benefit.

However, currently, lobbyists must report public officials that sit on a panel or give a speech at an event, even though as with the keynote speaker it is the organization and not the public official who is receiving the benefit. This also puts the organization in the tough spot of deciding which out of a panel of speakers is the exempt "keynote" speaker....

As a result of this report mandated by state law, we are finding that public officials are becoming increasingly hesitant to sit on panels or speak at our events because they are concerned about being reported to the Office of State Ethics. The result is less government transparency and less accountability. This also deprives organizations of the benefit of hearing from their elected officials on important matters.

This bill eliminates the requirement to report public officials that actively participate in events. Further, the attached language from the Office of State Ethics defines and narrows what would be considered "active participation".

This bill also helps to resolve an inconsistency in reporting requirements that could inadvertently cause lobbying organizations to be in violation of the law for up to 9 days in a month. Under current law, a lobbying organization must report any expenses related to a public official that was an active participant at an event within thirty days from the date of the event. However, monthly lobbying reports are not due until the tenth day each month. As a result, if a lobbying organization incurred expenses related to a public official attending an event during the first few days of the month, they would be in violation of the law if they waited until the tenth of the following month to report it to the office of state ethics.

Lobbying reports require a considerable number of hours to prepare and file, and presumably the Office of State Ethics invests a significant amount of time reviewing them. In lieu of filing an amended report, it would be easier on both the lobbying organizations and the Office of State Ethics to simply push this reporting date out for consistency purposes. While the language in HB 5229 would adequately resolve that problem, we ask the committee to adopt the attached language submitted by the Office of State Ethics instead.

We thank the committee for raising this bill, and we urge the members to support this bill with the attached modification.

**Subsection (k) of section 1-84 of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2016):**

(k) No public official, spouse of the Governor or state employee shall accept a fee or honorarium for an article, appearance or speech, or for participation at an event, in the public official's, spouse's or state employee's official capacity, provided a public official, Governor's spouse or state employee may receive payment or reimbursement for necessary expenses for any such activity in his or her official capacity. If a public official, Governor's spouse or state employee receives such a payment or reimbursement for lodging or out-of-state travel, or both, the public official, Governor's spouse or state employee shall, not later than thirty days thereafter, file a report of the payment or reimbursement with the Office of State Ethics, unless the payment or reimbursement is provided by the federal government or another state government. If a public official, Governor's spouse or state employee does not file such report within such period, either intentionally or due to gross negligence on the public official's, Governor's spouse's or state employee's part, the public official, Governor's spouse or state employee shall return the payment or reimbursement. If any failure to file such report is not intentional or due to gross negligence on the part of the public official, Governor's spouse or state employee, the public official, Governor's spouse or state employee shall not be subject to any penalty under this chapter. When a public official, Governor's spouse or state employee attends an event in this state in the public official's, Governor's spouse's or state employee's official capacity and as a **[principal speaker] an active participant** at such event and receives admission to or food or beverage at such event from the sponsor of the event, such admission or food or beverage shall not be considered a gift and no report shall be required from such public official, spouse or state employee or from the sponsor of the event. As used in this subsection, "active participant" means a

speaker, panelist, moderator of a panel or presenter of an award who provides substantive official service to the sponsor of the event.

**Section 1-96e of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2016):**

Each registrant who pays or reimburses a public official or state employee ten dollars or more for necessary expenses, as defined in section 1-79, shall, within ~~[thirty]~~ forty-five days, file a statement with the Office of State Ethics indicating the name of such individual and the amount of the expenses.